

**Before The
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of:

Streamlining Licensing Procedures
for Small Satellites

International Bureau Docket 18-86

Reply Comment 2 of Open Research Institute

18-July-2018

**1 The Text of Part 97.113(c) Is Insufficient To Protect
The Amateur Satellite Service From Operations With
A Pecuniary Interest**

a) As we have developed a better understanding of the comments, we have become concerned with the wording of 97.113(3).

b) 97.113(3) as currently written states:

Communications in which the station licensee or control operator has a pecuniary interest, including communications on behalf of an employer, with the following exceptions:

...

c) The licensee and control operator would in general be individual Radio Amateurs.

d) The rule does not appear to restrict communications in which a satellite's *owner* has a pecuniary interest, or in which a *partner* or *other participant* has a pecuniary interest, while the operator and licensee have none.

e) It seems somewhat backwards to look in the *operator's* pocket for pecuniary interest when the satellite could be owned by a billion-dollar for-profit enterprise.

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- f) We believe it would be possible for Amateurs with no direct pecuniary interest to front a commercial operation using the Amateur frequencies, under this regulation as written.
- g) Consider these potential operations:
- An imaging satellite is licensed in the Amateur Satellite service. It collects data for sale, transmitting the information to its owner within an Amateur band. The station licensee and operators are Amateurs with no connection to the business, and thus no pecuniary interest, who participate because the satellite also provides an Amateur repeater.
 - An Amateur satellite carries experiments or other payloads intended to produce income. The licensee and operators are Amateurs with no connection to the income, and thus no pecuniary interest, who participate because of other Amateur functionality of the satellite.

- h) We believe a simplification to the text at the start of 97.113(3) would solve the problem. We propose to replace this old text:

*Communications in which **the station licensee or control operator has a pecuniary interest**, including communications on behalf of an employer, with the following exceptions:*

With this new text:

*Communications in which **there is a pecuniary interest**, including communications on behalf of an employer, with the following exceptions:*

- i) We note that there has already been an attempt to broadcast advertising from an Amateur satellite. The Swatch corporation somehow gained physical control of a Russian Amateur satellite in 1999, through a business arrangement with a Russian launch provider.
- j) They planned to broadcast messages left on their web site along with advertising for "Internet Time": nonstandard watches which counted 1000 "Swatch Beats" per day instead of hours, minutes, and seconds.
- k) After worldwide protest by Radio Amateurs, the satellite was "launched" from the *Mir* space station without first being turned on.
- l) This is documented at https://www.swatch.com/en_us/explore/swatch-chronology/1999/ and <http://aviationweek.com/awin/swatch-and-mir-crew-launch-promotional-satellite>
- m) Although this was not a U.S. licensed operation, under 97.113(3) as presently written this operation might actually have been legal if it

was US-licensed, as long as the station licensee and operators were not associated with Swatch and did not have a pecuniary interest. This seems absurd, and is sufficient justification for a change to the existing text.